

Exhibit 26

**PREPA's Conditional Motion to Make an Offsetting Change in Base
Rate Charges, dated July 3, 2019**

JSP - SECRETARIA
NEGOCIADO DE ENERGIA
DE PUERTO RICO

COMMONWEALTH OF PUERTO RICO
PUBLIC SERVICE REGULATORY BOARD 2019 JUL -3 PM 3:46
PUERTO RICO ENERGY BUREAU

IN RE: THE PUERTO RICO ELECTRIC
POWER AUTHORITY

INITIAL RATE REVIEW

NO. CEPR-AP-2015-0001

SUBJECT: PREPA's Conditional Motion
to Make an Offsetting Change in Base
Rate Charges


**PREPA'S CONDITIONAL MOTION TO MAKE AN
OFFSETTING CHANGE IN BASE RATE CHARGES**

The Puerto Rico Electric Power Authority ("PREPA") hereby respectfully submits to the Puerto Rico Energy Bureau (the "Energy Bureau")¹ this Conditional Motion to Make an Offsetting Change in Base Rate Charges.

1. On May 3, 2019, the Government of Puerto Rico, through the Governor and the Fiscal Agency and Financial Advisory Authority ("AAFAF"), announced a "Definitive Restructuring Support Agreement", entered into by and among PREPA, AAFAF, the Financial Oversight and Management Board for Puerto Rico (the "FOMB"), members of the Ad Hoc Group of PREPA Bondholders, the Uninsured Supporting Holders, and the Supporting Holders, as those terms are defined therein, dated of as May 3, 2019 (the "RSA").

2. A copy of the public (redacted) version of the RSA may be found on PREPA's web site at: [https://aeepr.com/es-pr/QuienesSomos/Ley17/RSA%20-%20Public%20\(May%203rd%202019\).pdf](https://aeepr.com/es-pr/QuienesSomos/Ley17/RSA%20-%20Public%20(May%203rd%202019).pdf)

3. The remainder of this Motion includes certain references to certain provisions and/or language of the RSA. However, nothing in this Motion is intended by

¹ References herein to the Energy Bureau include the former Puerto Rico Energy Commission, when applicable.

PREPA (or by any other person or entity, including but not limited to the Government of Puerto Rico, AAFAF, or the FOMB) to be an opinion, statement, or admission regarding or relating to the applicable law, the interpretation of the RSA, the status of the RSA, any rights or obligations of any person or entity under the RSA, or any other matter.

4. Section 1.a.c of the RSA contains the following definition: “Settlement Charge’ means a charge of 1 c/kWh to be implemented by PREPA and included in its customer bills by July 1, 2019.”²

5. PREPA is a Debtor in a case pending before the United States District Court for the District of Puerto Rico, case no. 17-BK-4780-LTS, under Title III of the federal “PROMESA” statute.³

6. The Court in the Title III case has before it certain aspects of the RSA for approval. The Court currently is scheduled to conduct a hearing on that and other subjects on September 11, 2019.

7. Meanwhile, on May 27, 2016, PREPA filed for its first ever regulated rate review, in the instant docket. The Energy Bureau, in the rate review, ultimately issued a Final Resolution and Order on January 10, 2017, and, a Final Resolution on PREPA’s Motions for Clarification and Reconsideration on March 8, 2017.

8. Also, meanwhile, the Energy Bureau conducted a separate docket (no. CEPR-AP-2016-0002) regarding the establishment of a PREPA transparent bill. The Energy Bureau, in that docket, also issued its Final Resolution and Order on January 10, 2017, although the Bureau also issued a *nunc pro tunc* order on February 6, 2017.

² Please note: (a) that in the section numbering of that definition, the “c” in 1.a.c is the roman numeral c, meaning 100 (one hundred); (b) the “c” in the definition means cent, as in one one-hundredth of a United States Dollar; and, (c) the “kWh” in the definition means kilowatt-hour.

³ PROMESA is codified as 48 U.S.C. §§ 2101–2241.

9. As the Energy Bureau is aware, the "permanent" base rates approved in the rate review went into effect on May 1, 2019.

10. PREPA now seeks to be in a position to be able to implement the Settlement Charge promptly after Title III court approval of the aspects of the RSA before the court, if such approval occurs.

11. Accordingly, on a conditional basis, PREPA now proposes, and respectfully seeks the Energy Bureau's advance approval, that PREPA, in the event that the Title III court approves the aspects of the RSA before the court, may change the customer bill format promptly after such Title III court approval: (1) to reduce by 1 cent / kWh the applicable base rate charges billed on a kWh basis; (2) to add a 1 cent / kWh base rate charge to be identified as "Settlement Charge" in English and "Cargo por Transacción" in Spanish; so that (3) the two changes (the base rate reduction and the Settlement Charge addition) offset and have no net impact on customer bills.

12. PREPA also respectfully asks that the Energy Bureau approve this Motion on a schedule consistent with PREPA's being able to implement the Settlement Charge promptly in the event of Title III court approval of the aspects of the RSA before the court.

WHEREFORE, the Puerto Rico Electric Power Authority respectfully requests that the Puerto Rico Energy Bureau grant this Conditional Motion, and, enter such other orders, if any, as are warranted.

RESPECTFULLY SUBMITTED,

IN SAN JUAN, PUERTO RICO, THIS 3rd DAY OF JULY, 2019

PUERTO RICO ELECTRIC POWER AUTHORITY



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FILING AND SERVICE

I HEREBY CERTIFY that the foregoing Conditional Motion was, on July 3, 2019, filed in person at the office of the Clerk of the Puerto Rico Energy Bureau; and, further, was sent via email to the parties of record at the following email addresses: cfl@mcvpr.com; ivc@mcvpr.com; pnieves@vnblegal.com; mmuntanerlaw@gmail.com; maribel.cruz@acueductospr.com; jfeliciano@constructorespr.net; abogados@fuerteslaw.com; eirizarry@ccdlawpr.com; edwin.quinones@aae.pr.gov; nydinmarie.watlington@cemex.com; aconer.pr@gmail.com; epenergypr@gmail.com; jorgehernandez@escopr.net; ecandelaria@camarapr.net; pga@caribe.net; manualgabrielfernandez@gmail.com; mreyes@midapr.com; agraitefe@agraitlawpr.com; mgrpcorp@gmail.com; attystgo@yahoo.com.



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